c9700-3 6/13/83

THE WEEKLY OF BUSINESS AVIATION

Vol. 36 No. 24 June 13, 1983 Page 185

INSIDE

Gulfstream Wins C-SAM Contract . . . Page 186

MAI Planning New Bizjets . . . . . Page 187

NATA Publishes FBO Report . . . . . Page 188

May Shipments and Billings . . . . . Page 189

Business Aviation Briefs . . . . . Page 190

DAVE COLLOGAN/EDITOR
MONICA MOORE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

CANADAIR WRITEOFFS BOOST 1982 LOSS TO $1.41 BILLION

Officials of Canadian aircraft manufacturer Canadair told Parliament last week the company lost $1.41 billion (Canadian) in 1982, adding that it will not be able to break even on the Challenger business jet program if it has to pay the interest on its debt. Canadair paid over $215 million in interest in 1982 alone and interest payments are currently about $12 million per month.

Joel Bell, president of the government agency that holds controlling interest in the government-owned manufacturer, appeared before two committees of Parliament seeking another $240 million to keep the ailing manufacturer in operation through the end of the year *(BA, May 23/161).* The $1.41 billion figure is somewhat misleading because the loss includes a write-off of $1.05 billion for development of the Challenger program that the company now feels it will be unable to recoup. The company also reported an operating loss of $360.6 million for the year, primarily due to costs associated with the Challenger program. Both the development and on-going administrative costs for the program had previously been capitalized on the assumption they would be applied against future sales. If the new accounting method had been in effect in 1981, Canadair would have had a loss of over $220 million instead of the $3 million profit previously reported.

Sen. Jack Austin, who is responsible for overseeing the operations of the Canada Development Investment Corp. headed by Bell, said Canadair officials were overly optimistic about development costs and sales projections for the aircraft when the program started. He noted that CDIC is in the process of recruiting a new chief executive to replace Frederick Kearns who retired this month.

Despite the dismal financial report, Parliament is expected to approve the additional $240 million for Canadair. The alternative would probably be to shut down the company, putting the firm's more than 5,000 employes out of work. That would be a particularly difficult political decision given the fact the country is already suffering high unemployment. It would also represent an admission of failure by the government, which authorized the purchase of Canadair from General Dynamics in 1976 as part of an effort to revitalize the nation's aerospace industry *(see related items on Page 190).*

FAA PROPOSES MODEL 24 LEARJET MODS, BUT EXEMPTS MODEL 35/36

Federal Aviation Administration plans to publish a notice of proposed rule making providing for the installation of kits on Gates Learjet Model 24 aircraft to modify certain control systems to prevent the possibility of control problems. At the same time, the agency will withdraw a previous NPRM that would have required the installation of those modifications on Model 35/36 aircraft.

The NPRM is the latest result of a Special Certification Review initiated by FAA following a series of accidents involving Model 25 Learjets *(BA, Jan. 11, 1982/11).* An earlier rule making required installation of modification kits on Model 25 aircraft and the new NPRM would extend that requirement to Model 24 aircraft. Specifically, it proposes requiring installation of "an improved pitch trim actuator, trim-in-motion warning, pitch axis master interrupt, autopilot roll rate limiter, autopilot roll monitor, autopilot G-limiter and several other associated alterations found necessary to prevent the hazard created by certain failures of these components in conjunction with the high response rate of the aircraft." FAA said airplanes that pre-

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF ZIFF-DAVIS PUBLISHING CO. COPYRIGHT © 1983 ZIFF-DAVIS PUBLISHING CO. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $190. SIX MONTHS $115.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – MAY UNIT SHIPMENTS

		May 83	Cal. Year	Fisc.† Year
BEECH AIRCRAFT CORP.				
• Single-Engine				
BE-77	Skipper	0	1	3
BE-C23	Sundowner	1	7	11
BE-C24R	Sierra	0	2	8
BE-F33A	Bonanza	2	9	14
BE-V35B	Bonanza	0	4	5
BE-A36	Bonanza	8	23	36
BE-B36TC	Bonanza	5	23	32
• Multi-Engine				
BE-B55	Baron	1	5	5
BE-E55	Baron	0	0	3
BE-58	Baron	2	12	22
BE-58TC	Baron	0	1	1
BE-58P	Baron	0	7	20
BE-76	Duchess	0	0	1
BE-B60	Duke	1	7	8
BE-C99	Airliner	4	7	8
BE-C90-1	King Air	0	9	17
BE-F90	King Air	0	4	9
BE-B100	King Air	0	1	2
BE-200	Super King Air	9	29	47
BE-200C	Super King Air	0	3	3
BE-200T	Super King Air	0	0	1
TOTAL		33	154	256
Manufacturers net billing - $23,772,139				
BRITISH AEROSPACE				
• Multi-Engine				
HS-125-700	Model A	0	1	5
HS-125-700	Model B	1	6	9
TOTAL		1	7	14
PILATUS BRITTEN-NORMAN LTD.				
• Multi-Engine				
BN-2	Islander	2	3	8
BN-2T	Islander	0	1	2
Mark III	Trislander	1	1	1
TOTAL		3	5	11
CESSNA AIRCRAFT CO.				
• Single-Engine				
CE-152		17	77	120
CE-A152	Aerobat	0	0	2
CE-172	Skyhawk	17	86	131
CE-172	Cutlass	0	8	8
CE-172RG	Cutlass	2	19	37
CE-182	Skylane	10	33	63
CE-122	Turbo Skylane	1	3	6
CE-182RG	Skylane RG	1	14	21
CE-182RG	Turbo Skylane RG	3	7	14
CE-185	Skywagon	1	10	18
CE-U206	Stationair 6	6	35	48
CE-TU206	Turbo Stationair 6	11	33	48
CE-208	Stationair 8	1	6	9
CE-TU208	Turbo Stationair 8	0	3	3
CE-210	Centurion	3	5	13
CE-T210	Turbo Centurion	5	22	38
CE-P210	Pressurized Centurion	2	11	17
CE-188	AgHusky	1	11	16
CE-188	AgTruck	9	11	16
• Multi-Engine				
CE-303	Crusader	3	28	46
CE-335		0	1	1
CE-340		1	16	20
CE-402		1	10	14
CE-404	Titan	0	0	2
CE-414	Chancellor	4	6	11
CE-421	Golden Eagle	2	8	13
CE-425	Conquest I	3	17	30
CE-441	Conquest II	0	9	16
CE-500	Citation I	1	5	14
CE-550	Citation II	2	15	37
CE-650	Citation III	0	3	3
CESSNA/REIMS AVIATION				
• Single-Engine				
CE-F152		0	4	10
CE-F152	Aerobat	0	0	1
CE-F172	Skyhawk	2	2	9
CE-FR172	Hawk XP	0	0	0
CE-F182	Skylane	0	0	0
CE-F182RG	Skylane RG	0	0	0
TOTAL		109	510	855
Manufacturers net billing - $19,300,498				

Cessna deliveries for the Conquest II have been adjusted to reflect one aircraft sold to a distributor which was later purchased by Cessna.

		May 83	Cal. Year	Fisc.† Year
AVIONS-MARCEL DASSAULT				
• Multi-Engine				
AD-My.10	Falcon	0	2	4
AD-My.20	Falcon	0	0	1
AD-My.200	Falcon	0	4	4
AD-My.50	Falcon	1	12	30
TOTAL		1	18	39
EMBRAER				
• Single-Engine				
EMB-200		0	0	0
EMB-201	Ipanema	1	7	11
EMB-710	Carioca (PA-28-235 Dakota)	0	2	2
EMB-711	Corisco (PA-28RT-201 Arrow)	0	2	2
EMB-712	Tupi (PA-28-181 Archer II)	0	1	1
EMB-720	Minuano (PA-32-310 Saratoga)	0	1	2
EMB-721	Sertanejo(PA-32R-301 Saratoga)	1	1	3
• Multi-Engine				
EMB-110	Bandeirante	1	3	10
EMB-121	Xingu	0	1	4
EMB-810D	Seneca II	4	18	34
EMB-820	Chieftain	1	1	1
TOTAL		8	37	70
FAIRCHILD AIRCRAFT CORP.				
• Multi-Engine				
Metro IIA		0	0	2
Metro III		1	5	17
Merlin III-C		0	0	0
Merlin IV-C		0	0	5
TOTAL		1	5	24
GATES-LEARJET				
• Multi-Engine				
LR-25D		0	1	4
LR-35A		0	1	10
LR-36A		0	2	2
LR-55		1	7	23
TOTAL		1	11	39
Manufacturers net billing - $5,023,000				
GULFSTREAM AEROSPACE				
• Single-Engine				
GR-164	Agcat	0	0	1
• Multi-Engine				
G-47	Cougar	0	0	0
GR-1159A	Gulfstream III	2	11	25
AE-840	Turbo Commander	0	4	6
AE-900	Commander 900	0	4	8
AE-980		0	0	1
AE-1000		2	4	13
TOTAL		4	23	54
Manufacturers net billing - $23,867,000				
(Exports: 1 A-1000 to Australia				
1 A-1000 to Phillippines)				
ISRAEL AIRCRAFT INDUSTRIES				
• Multi-Engine				
1124	Westwind	*	2	2
TOTAL		*	2	2
LAKE AIRCRAFT				
• Single-Engine				
LA-4-200	Buccaneer	2	11	19
TOTAL		2	11	19
Manufacturers net billing - $219,000				
MAULE AIRCRAFT				
• Single-Engine				
M-5-180C		0	1	3
M-5-200		0	0	1
M-5-235C	Lunar Rocket	1	3	4
M-6-235		6	16	21
TOTAL		7	20	29
Manufacturers net billing - $335,401				
MITSUBISHI				
• Multi-Engine				
Solitaire		0	0	0
Marquise		0	2	11
Diamond		1	13	26
TOTAL		1	15	37
MOONEY AIRCRAFT CORP.				
• Single-Engine				
M-20J	201	10	38	58
M-20K	231	5	20	51
TOTAL		15	58	109
(Exports - 3 201 to Israel				
1 201 to South Africa)				

		May 83	Cal. Year	Fisc.† Year
PIPER AIRCRAFT CORP.				
• Single-Engine				
PA-18-150	Super Cub	0	0	33
PA-38-112	Tomahawk	0	7	14
PA-28-161	Warrior	12	58	87
PA-28-181	Archer II	5	48	77
PA-28-236	Dakota	0	13	20
PA-28RT-201	Arrow IV	0	0	4
PA-28RT-201T	Turbo Arrow IV	2	15	33
PA-32-301	Saratoga	4	12	23
PA-32-301T	Turbo Saratoga	1	5	7
PA-32R-301	Saratoga SP	2	10	19
PA-32R-301T	Turbo Saratoga SP	4	17	27
PA-36-375	Pawnee Brave	0	10	42
• Multi-Engine				
PA-23-250	Aztec	0	0	0
PA-31-310	Navajo	1	1	3
PA-31-325	Navajo C/R	2	7	10
PA-31-350	Chieftain	4	18	31
PA-31T-501T	Cheyenne I	0	3	8
PA-31T-620	Cheyenne II	0	6	8
PA-31T2-620	Cheyenne II XL	0	4	7
PA-42-720	Cheyenne III	2	3	10
PA-34-220T	Seneca III	6	36	65
PA-44-180	Seminole	3	15	15
PA-44-180T	Turbo Seminole	0	0	1
PA-600A	Aerostar	0	0	0
PA-601B	Aerostar	0	1	1
PA-601P	Aerostar	0	0	0
PA-602P	Aerostar	2	11	15
PA-T1020		2	2	3
PA-T1040		0	2	8
TOTAL		52	304	571
Manufacturers net billing - $10,411,725*				

* Figure includes 10 Pillan T-35 aircraft kits delivered to Chile.

		May 83	Cal. Year	Fisc.† Year
ROCKWELL INTERNATIONAL				
• Multi-Engine				
NA-65	Sabreliner	0	0	0
Model 60		0	1	1
TOTAL		0	1	1
SHORT BROTHERS LTD.				
• Multi-Engine				
SBJ-CS-7	Skyvan	0	0	0
SD-3-30		0	1	1
SD-3-60		2	7	10
TOTAL		2	8	11
SINGLE-ENGINE		164	767	1,322
MULTI-ENGINE		76	430	819
GRAND-TOTAL		240	1,197	2,141

UNIT SHIPMENTS COMPARATIVE TREND: 17 MANUFACTURERS

	May			Calendar Year to Date			Fiscal Year to Date†		
	1983	1982	1981	1983	1982	1981	1983	1982	1981
Beech	33	43	116	154	298	594	256	576	943
British Aerospace	1	2	2	7	10	16	14	20	25
Britten-Norman	3	0	3	5	10	9	11	18	26
Cessna	109	199	451	518	1,095	2,912	855	2,021	5,023
Dassault	1	4	5	18	30	25	39	47	36
Embraer	8(2)	15(7)	32(4)	37(11)	93(32)	130(24)	70(25)	141(59)	313(80)
Fairchild	1	3	4	5	21	30	24	57	52
Gates	1	7	4	11	38	48	39	82	81
Gulfstream	4	8	36	23	37	58	54	81	108
Israel	*	2	4	2	16	12	2	25	16
Lake	2	2	11	11	5	37	19	15	65
Maule	7	4	7	20	17	27	29	24	40
Mitsubishi	1	0	3	15	5	20	37	17	39
Mooney	15	15	19	58	89	141	109	161	244
Piper	52	92	218	304	525	1,381	571	994	2,283
Rockwell	0	0	9	1	2	54	1	4	10
Short	2	5	1	8	7	9	11	10	10
TOTAL	234	393	897	1,171	2,237	5,397	2,096	4,211	9,081

Parentheses show actual Embraer deliveries, not including aircraft kits.

* Figures not available from manufacturer.
† Fiscal Year: Oct. 1 through Sept. 30.